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82-4298/0 ᘓ /1

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

NSDD-19

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FROM:	EXTENSION	NO. SECOM-D-088
Chairman, SECOM		DATE 20 April 1982

TO: (Officer designation, room number, and building)	DATE		OFFICER'S INITIALS	COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)
	RECEIVED	FORWARDED		
1. ER				
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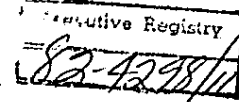FORM 610 USE PREVIOUS EDITIONS
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NSDD 19

TAB D

The Director of Central Intelligence

Washington. D.C. 20505

2 8 APR 1982

MEMORANDUM FOR: The Honorable William P. Clark
                   Assistant to the President for
                   National Security Affairs

SUBJECT: Implementation of NSDD-19

     1.   In your 2 February 1982 memorandum you requested that I
develop and submit to the NSC for review, procedures to protect
classified intelligence information. We had already started,
through my committee mechanism, efforts to strengthen directives
on personnel, document and physical security to protect intelli-
gence. We took the opportunity of your memorandum to augment
this effort with new initiatives. Our proposals generally were
similar to those that were made recently by the Attorney General
in his report to the President concerning efforts to deal with
unauthorized disclosures.

     2.   In my recent note to you I endorsed the Attorney
General's recommendations and suggested that they be considered
at an early NSC meeting. Action by the President on those
proposals would provide important guidance for the Intelligence
Community. In the interim, we will continue ongoing efforts to
enhance the security of intelligence and will advise you of
results. As soon as we know where we stand with respect to the
Attorney General's recommendations, we will reconvene on the
Community's efforts to develop any necessary additional imple-
menting procedures.

                            /s/ William J. Casey

                            William J. Casey

SUBJECT: Letter to The Honorable William P. Clark
Re Implementation of NSDD-19

Distribution:
  Orig - Addressee
     1 - DCI
     1 - DDCI
     1 - Ex Dir
     1 - OGC
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     1 - ICS Registry

DIRECTOR OF CENTRAL INTELLIGENCE
Security Committee

82-4298/a

SECOM-D-088

19 April 1982

MEMORANDUM FOR: Director of Central Intelligence

VIA: Deputy Director of Central Intelligence
Director, Intelligence Community Staff

STAT   FROM: [ ]
Chairman

SUBJECT: NSDD-19

1. <u>Action Requested</u>: That you (a) schedule an NFIC meeting to discuss proposals to upgrade our security program to better protect intelligence in general in keeping with Judge Clark's memorandum of 2 February 1982 on NSDD-19 procedures; and (b) sign the attached memorandum to Judge Clark.

2. <u>Background</u>: On 2 February 1982, Judge Clark issued a memorandum for the President (Tab A) that superseded NSDD-19. Judge Clark's memorandum established procedures for the protection of National Security Council information and directed the DCI to "develop similar procedures for the protection of classified intelligence information." On 2 March 1982, you submitted proposed procedures for the protection of classified intelligence information to NFIC for review and comment (Tab B). Our proposed procedures elicited several expressions of concern from Community members, principally in connection with our calls for greater controls over contacts with the press, expanded use of nondisclosure agreements as a condition of access to intelligence, and advocacy of broader use of the polygraph in leak investigations. Recommendations were received that NFIC discuss the proposals prior to further efforts at implementation.

3. The Counsel for Intelligence Policy, Department of Justice (DoJ), suggested that our proposals went too far in some cases and did not capitalize on opportunities permitted by Judge Clark's memorandum in others. Most serious was DoJ's concern that we had misinterpreted Judge Clark's instruction, <u>i.e.</u>, that he was asking you merely to provide the NSC with guidance on how you wanted the NSC to protect the Community's intelligence and not, as we interpreted, how the Community should move to improve security efforts in general so as to reduce the risk of unauthorized disclosures. On 14 April, after earlier unsuccessful

attempts to obtain clarification on this point, the Office of
General Counsel was advised by NSC staff counsel that Judge
Clark's direction was meant to provide you with the opportunity
to strengthen any aspect of the overall procedures to protect
intelligence material. While the NSC staff did not have anything
specific in mind, they intended that your charter to address
security issues would be broad rather than narrow as suggested by
DoJ.

4.   Current Status. As a consequence of trying to accom-
modate the several expressions of concern received in the process
of coordinating our original proposals with Community members, we
ended up with a least common denominator security paper that
would essentially maintain the status quo. As such, it would not
address broad changes that are desirable and responsive to the
thrust of Judge Clark's directions. In the interim, a related
action directed by Judge Clark in his 2 February memorandum has
resulted in the submission of a report to the President by
Attorney General Smith which addresses the effectiveness of
existing statutes and Executive orders prohibiting unauthorized
disclosures of classified information.

5.   We note that the report speaks, in part, of the need
for a better overall protective security program and addresses
several of the same issues we originally proposed in our proce-
dures. Among these are: nondisclosure agreements, polygraph
usage in leak investigations, and clearer controls over contacts
between media representatives and government officials. The
Attorney General's report includes in its recommendations that
"all agencies should be encouraged to place greater emphasis on
protective security programs. Authorities for federal personnel
security programs should be revised and updated." While the
report and its recommendations have not received the approval of
participating agencies (State, Treasury, Defense, Energy, and
DCI), Attorney General Smith notes that the effectiveness of our
enforcement effort can be improved by adopting the recommenda-
tions of the report, which he endorses.

6.   Accordingly, we now find ourselves in possession of (a)
clarification of Judge Clark's intentions, which indicates our
original proposals were appropriate; (b) unresolved contention in
the Community over some of these proposals; and (c) a general
endorsement from the Attorney General of a report, already trans-
mitted to the President, which incorporates the issues we had
originally set before the Community. However, we still owe Judge
Clark a response.

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7.   Staff Position: Efforts were underway prior to receipt of Judge Clark's 2 February memorandum, both within and outside the Intelligence Community, to strengthen and revise federal security programs. The Office of Personnel Management (OPM) is reviewing the largely defunct federal personnel security program governed by Executive Order 10450, which was adopted in 1953. The Secretary of Defense has ordered a review of the DoD personnel security program. Executive Order 12356 governing classification of national security information has recently been issued and implementing guidelines have been circulated for review and comment. DCI representatives participate in these efforts. Further, several DCIDs which directly address personnel, physical and document security measures to protect intelligence are under active review. These actions, already in process, offer potential for DCI initiatives to further Judge Clark's and the President's objective of better security programs.

8.   At the same time, the NFIC membership should have opportunity to air their perceptions. We believe their concerns can be assuaged by DCI assurance of a logical, gradual, but sure effort to enhance the Community's security programs with full Community participation. This gradual approach to improvement will allow Community members to evaluate the efforts, estimate costs, and seek necessary resources to implement them. On the other hand, under this approach we would not be in a position now to provide Judge Clark the full range of security options and their cost.

9.   We believe the security proposals and recommendations contained in Attorney General Smith's report are sound and should be endorsed by you. I understand the General Counsel has recommended you do so (Tab C). Once the NSC and the President have acted on these recommendations, we will be in a better position to carry out the new initiatives they address. Additionally, action by the President with respect to some of these issues, such as the elimination of self-imposed restrictions on use of the polygraph and broader use of nondisclosure agreements, would render moot any uncertainty concerning your authority to address them. In the interim, we should continue ongoing efforts to enhance our security programs. The General Counsel endorses this approach.

10. Recommendations:

a.   That the DCI convene an early meeting of the NFIC to hear member concerns regarding security enhancement and to give assurances of a cooperative effort through the

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committee mechanism to improve our security program; use
Attorney General Smith's recommendations as an outline for
new security initiatives, and elicit additional ideas from
members.

     b. That you sign the memorandum to Judge Clark at
Tab D informing him of this course of action.

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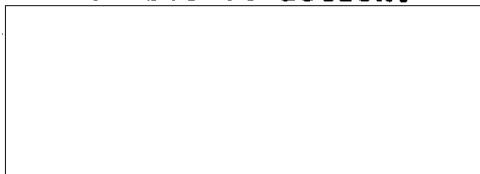
Attachments:
  As stated.

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SUBJECT: NSDD-19

Distribution:
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